

Luxembourg: The First Phase of Introduction



History

Luxembourg is a small, landlocked country in western Europe bordered by Belgium, France, and Germany. The government system is a constitutional monarchy. The chief of state is the Grand Duke and the head of government is the Prime Minister. Benefiting from its proximity to France, Belgium, and Germany, Luxembourg has a mixed economy in which the economy includes high levels of openness and entrepreneurial activity, combined with centralized economic planning and government regulation. Luxembourg is a member of the European Union (EU).

Once upon a time (963 to be precise), a count called Sigefroi (or Siegfried, Count of Ardennes) built a castle high on a promontory, laying the foundations of the present-day capital and beginning a dynasty that spawned rulers throughout Europe.

By the end of the Middle Ages the strategically placed, fortified city was much sought after – the Burgundians, Spanish, French, Austrians and Prussians all waged bloody battles to secure it. Besieged, devastated and rebuilt more than 20 times in 400 years, it became the strongest fortress in Europe after Gibraltar, hence its nickname, 'Gibraltar of the North'.

In **1814**, it was included in the newly formed United Kingdom of the Netherlands, along with Belgium, and 25 years later present-day Luxembourg was born. But its potentially perilous position between France and Germany led to the major European powers declaring the country neutral in 1867. As a result much of its historic fortifications were dismantled, though you can still visit the damp galleries known as the Bock Casemates.

Luxembourg's neutrality was quashed in 1914 when Germany invaded. It was occupied for the whole of WWI and again during WWII – for insight into the 1944 Battle of the Ardennes, visit the Musée National d'Histoire Militaire in Diekirch.

After the war, Luxembourg dumped its neutral status and joined NATO and the EU. The government diversified the economy, enabling the little country to ride out the depression in the iron and steel industries during the 1970s and to become a noted financial centre and tax haven. Now home to some key EU institutions, it entered the 21st century with one of Europe's healthiest economies and continues to ride high.

The Grand Duchy's royal family is experiencing a similar high. Grand Duke Henri and Grand Duchess Maria Teresa, a Cuban-born commoner whom Henri met at university, came to the throne in 2000 and have brought new life to the role of the ducal family.

Culturally, things are also rosy. A gleaming new concert hall and neighbouring modern art gallery recently opened in Luxembourg City, in time to celebrate the country's 2007 stint as Cultural Capital of Europe. And the country's continued lack of higher education facilities is finally being tackled with the current construction of the University of Luxembourg.

Travelers

Few foreigners have taken up the challenge of penning travel tales about Belgium...and only one man has tackled Luxembourg. Still, what's on offer is well worth reading. This excerpt from Lonely Planet's Belgium & Luxembourg guide provides a selection of travel literature to get you in the mood for your trip.

Money & costs | Practical Information

Famous for its financial sector, you'll have absolutely no trouble finding a bank to change money in Luxembourg City. ATMs are common in the capital, but few and far between outside major towns.

Tipping is not obligatory as service and VAT (value-added tax) are included in hotel and restaurant prices.

Source: <http://www.balmoralinternationalgroup.org/2014/12/#sthash.Zcw7pZWN.dpuf>